

ENVIRONMENTAL DISCLOSURE IN NIGERIAN QUOTED COMPANIES: THE LONGITUDINAL STUDY

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ABSTRACT

The purpose of the study is to provide a detailed description of the length Nigerian companies disclose environmental information. The research design adopted by this study is basically descriptive. The study utilised an unbalanced panel data structure of 142 sampled companies for a five year period (2009-2013). The study followed a checklist to identify the sentences related to environmental information from the annual reports with the aid of content analysis. The study found that the length of disclosure of environmental information is approximately three sentences per company which is very low, especially in comparison with other developed and developing countries. It was also found that following the events that led to the revision of the code of corporate governance that occurred in 2011, there was a steady increase in the quantity disclosed over time. The reality of the enormity of environmental concerns, threatening the sustainability of the environment for the use of the present and future generations is a wakeup call for all stakeholders most especially management to consider such issues in carrying out the running of the organisation. The novelty of this paper is that it extends the literature on environmental disclosure by providing a vivid description of the quantity of environmental information disclosed by companies in Nigeria, revealing the trend over a time period that witnessed a revision in the code of corporate governance for companies.

Keywords: accounting, disclosure, environmental disclosure, Nigerian stock exchange, descriptive, length, Nigeria

1.0 INTRODUCTION

The struggle for the emancipation of the environment has been on since the early seventies. Worthy of note, was the world conference held in Stockholm in 1972, which for the first time saw Heads of States come together from all over the globe. This metamorphosed into the United Nations Environmental Program (UNEP) aimed at handling environmental issues. Ever since, several conferences have been held like the 1997 Kyoto Protocol, Global initiative for gas flaring reduction and the Bali declaration. All of these discussions have agitated various interest groups such as host communities, government and its agencies, employees and customers on the dangers been created by companies especially, as a consequence of their operations (Abiola & Ashamu, 2012). This has thus brought a lot of criticisms on corporations on their supposed role in generating a lot of social problems (Hackston & Milne, 1996). Amongst these issues as is peculiar to the Nigerian case is the depletion of the resources in the Niger Delta area (Donwa, 2011).

Further, Biobele and Mefor (2012) also stress the alarming manner natural resources within the Nigerian environment are being exploited, and the indiscriminate emission of greenhouse gases. The Nigerian situation is particularly disturbing, considering her population of over one hundred and forty million people (National Population Commission, 2010), having encountered oil boom in the 1970s witnessed the outburst of uncontrolled industrialization, migration from rural to urban centres and devastating desertification of the environment. A number of reports also highlight the disturbing environmental situation. For example a report from the food and agricultural organisation show the proportion of land area covered by forest decline from 9.9% in 2011 to 9.8% in 2012 (Food and Agricultural Organisation, 2012). Also another pertinent issue that calls for urgent attention from all quarters is the fact that climate change could be a huge hindrance towards the achievement of the millennium development goals (MDGs) as it is been speculated that climate change may lead to a Gross Domestic Product (GDP) loss of between 2% and 11% by 2020 and an even bigger loss of between 6 to 30 percent by 2050 (Federal Government of Nigeria, 2013).

In a statement addressed to public quoted companies in Nigeria, the Securities and Exchange Commission (2011) advises that:

“Companies should address critically the interests of their stakeholders such as its host community, consumers and the general public. Furthermore the code stipulates that the board should report annually on the nature and extent of its environmental policies and practices relating to adoption in the company’s operations of options with the most benefit or least damage to the environment, particularly for companies operating in disadvantaged regions or in regions with delicate ecology in order to minimize environmental impacts of the company’s operations” (p.34).

The environmental situation when viewed from a legal point is not in any way encouraging as there is absence of legislation warranting companies to make any form of disclosure. Nevertheless, there is a legal provision companies must adhere to before they can embark on major projects. An environmental impact assessment must be carried out as guided by the Act (Environmental Impact Assessment Act, 2003). Furthermore, we present a number of pertinent

issues currently facing the Nigerian environment as highlighted by Ewepu and Olasupo (2014), some of the problems include oil spillage in the Niger Delta area, life threatening flooding in the Eastern region caused by pollution and poor management of waste, while in the Northern parts there are cases of desertification, drought and lead poisoning. Most of the studies done in Nigeria that provided a description of the state of environmental disclosure have had several loopholes. A number of the studies considered only a small sample size (Uwuigbe & Jimoh, 2012), others focus on just a couple of industries, neglecting other sectors that also contribute to the overall market (Dibia & Onwuchekwa, 2015; Uwuigbe & Uadiale, 2011). Our paper contributes to the literature on corporate environmental disclosure as it is one of the few studies providing evidence on the length or extent of environmental disclosures from the Nigerian Stock Exchange market. It provides a detailed description of the disclosure practices of the companies. The study differs from other Nigerian studies as it provides evidence from all the industrial sectors as against other studies that only select a few industries. Also, it employs a large sample relative to other Nigerian studies that only make use of a small sample. It also covers a period of five years from 2009 to 2013 giving a true picture of the trend of disclosure and also highlighting the effect on environmental disclosure of the revision in the code of corporate governance for public listed companies which occurred in 2011. The purpose of the present study is thus to provide a detailed description of the length Nigerian companies disclose environmental information. It provides interesting evidence from the most populous African nation.

2.0 LITERATURE REVIEW

2.1 The Nigerian Environment and Regulatory Framework

Nigeria is located geographically between latitude 4°16 and 13°53 north and between longitude 2°40 and 14°41 east. It covers a land area of over 920000 sq km, which makes it one of the largest countries in Africa. The climate is tropical with an average temperature of about 32° c and rainfall that is roughly 3800mm in the South Eastern part, while the North gets as low as 625mm (Federal Government of Nigeria, 2013).

The regulatory framework in Nigeria for companies in terms of environmental issues comprises the provisions of the Companies and Allied Matters Act (CAMA), the Federal Ministry of Environment, the Environmental Impact Assessment Act, and lastly the Code of Corporate governance for listed companies. Up on till 1968, the law binding on Nigerian companies had no provision for the disclosure of any sort of mandatory information. The current companies Act in operation is the CAMA 2004 as amended. The Act provides for compulsory corporate governance for firms (Corporate Affairs Commission, 2004). Also as mentioned earlier, there is the Federal Ministry of Environment which replaced all other state and federal environmental agencies (Owolabi, 2009). The responsibility of the ministry was to prepare a holistic policy for the country that will ensure the preservation of the natural resources and protection of the environment. In addition the Ministry was to come up with a plan that will ensure the upgrade of the environmental science and technological network in place continuously and also provide an estimate of the financial implications of the plan. Lastly the Ministry is also responsible for collaborating with its equivalent in other countries in order to ensure that the environmental safety of the region is upheld.

Furthermore, there is the Environmental Impact Assessment Act which was an Act initiated after the United Nations Conference on Environment and Development (UNCED) held on the 3rd to 14th of June 1992 in Rio de Janeiro, Brazil. The Act is designed to restrict all developmental projects that can harm the environment before the project is started. The projects are screened based on certain laid down guidelines, whether it will have an effect on the public. On the project passing the assessment, the Federal Ministry of Environment sets the conditions that must be adhered to, and then grants the approval (Environmental Impact Assessment Act, 2003). Lastly on the regulatory framework is the code of corporate governance. Its history within the Nigerian corporate environment dates back to the 1990s, where several governance issues hit companies in Nigeria most especially in the banking sector. The issues ranged from concealment of indebtedness level, overvaluations and eventual collapse of some of the companies (Oteh, 2013). In 2003, the Securities and Exchange Commission (SEC) under the mantle of Atedo Peterside set up a special committee to address these issues. The recommendations of the committee were put in a report and it metamorphosed into the code of 2003. In 2008, with the advent of the global financial crisis, there was a review of the code of 2003, in order to cater for its perceived shortfalls and also streamline it with the internationally accepted best practices. This eventually led to the establishment of the revised code of corporate governance for public listed companies (Securities and Exchange Commission, 2011)

2.2 Environmental Disclosure Length

One of the key strongholds of corporate governance is that it ensures transparency to all stakeholders in the organisation. Disclosures is one sure means management of companies show transparency to their shareholders (Prince & Dwivedi, 2013). Guthrie and Parker (1989) assert that for an organisation to be seen as a good citizen it must disclose CSR information. Menassa (2010) attempted to define the concept of CSR as “a manifestation of the practice by which organisations communicate their social and environmental impacts and responsibilities to different stakeholders” (P.5). One of the key components of CSR is environmental disclosure. Sen, Mukherjee and Pattanayak (2011) define environmental reporting as “an umbrella term that describes the various means by which companies disclose information on their environmental activities” (P.139)

A peep into the prior studies on length or quantity of environmental disclosure shows that it has been widely studied in both developed (see for example (Hackston & Milne, 1996; Milne & Adler, 1999; Salama, Dixon, & Habbash, 2012; Tilt & Symes, 1999; Tilt, 2001) and developing nations (Alrazi, Sulaiman, & Nik Ahmad, 2009; Eljido-ten, 2009; Haniffa & Cooke, 2005; Uwuigbe & Jimoh, 2012). Hackston and Milne (1996) provided a detailed description of the corporate social disclosure (CSD) practices of top 50 largest companies in New Zealand Stock Exchange as at 31st December, 1992. The size ranking was based on market capitalization. The study utilised content analysis to measure CSD based on a checklist developed. The disclosure themes included environment, energy, products, consumers, community and general. The amount of disclosure per company was measured using the number of sentences. The results revealed that the average number of disclosed sentences for the environment theme was 2.89 sentences.

In a later study, Tilt and Symes (1999) provide an interpretation for environmental reporting by some corporations. The study was conducted on 70 annual reports of companies from five

industry groups in the Australian Exchange. It was observed that the average number of sentences on the annual reports related to environmental disclosure was 12.3 sentences. Similarly, Tilt (2001) considered corporate environmental policy disclosure of Australian public companies in 1994. The CEPs were analysed using content analysis. The disclosure scores were measured using number of sentences. On the average, the results showed that the mean number of sentences disclosed was 14.2. Furthermore from a developed market, providing evidence from the UK, Salama et al. (2012) utilize a sample of 169 firms for the year 1999. The study also applied content analysis like the other studies from the developed market, using a coding sheet to measure the level of corporate environment responsibility disclosure within the annual reports. The results revealed an average of 14 sentences disclosed by each company. The results reaffirm the fact that environmental information is essentially qualitative and most often provided in a positive way to enhance corporate image.

In a more recent study from a developing market, specifically in Malaysia, Alrazi et al. (2009) investigated whether the quantity and quality of environmental disclosure had changed between the period 1999, 2003 and 2006. The sample comprised 96 companies listed in the Bursa Malaysia as at 2006. The quantity of disclosure was measured using the number of sentences. The results revealed the average number of sentences disclosed in 1999 was 3.83 and it increased to 14.10 in 2003 and later dropped to 12.27 sentences in 2006. Similarly, Elijido-ten (2009) in a similar Malaysian study, examined companies that provided annual report environmental disclosures. The study sample comprised 40 companies for the year 2000 and 39 companies for 2001. The result revealed that the quality of environmental disclosures measured by number of sentences ranged from 0 to 95 sentences. Also, the average number of sentences was 16.37 sentences.

Coming down to Nigeria, Uwuigbe and Jimoh (2012) examined the corporate environmental disclosure practices amongst firms in the Nigerian manufacturing industry as at 2011. The study measured the level of corporate environmental disclosure in terms of number of sentences. The results show a very weak disclosure length, as only two sentences were disclosed by the selected companies on the average. Furthermore, Fodio and Oba (2012) investigating the quality of environmental reporting in Nigeria, focus on 21 companies that cut across chemical and paint, construction, conglomerates and building materials industrial sectors. The quality of disclosure was measured using an index. The results show the quality of disclosure is just about 32%, which also highlights poor disclosure. Similarly, Ajibolade and Uwuigbe (2013) investigating the extent of corporate social and environmental disclosure, made use of a sample of 40 listed firms. The study showed a mean disclosure score of 24.29%. In summary as can be seen from the review above, the length of environmental disclosure in Nigeria is low, when compared with studies from developed nations. The major weakness that can be seen from the above studies most especially the Nigerian case is the use of a small sample size, which might not be representative of the true population. Also, our study therefore comes into provide a more vivid representation of the Nigerian case, considering all the industry sectors and also considers a more recent data than the prior studies. Also it provides evidence of the effect of the revised corporate governance code for listed companies on the extent of environmental disclosures amongst the Nigerian companies.

2.3 Theoretical Framework: Stakeholder theory

A number of prior studies have presented arguments suggesting that environmental disclosures by companies is aimed at pacifying different stakeholders (Che-Ahmad & Osazuwa, 2015; Elijido-ten, 2008). Stakeholders are generally referred to as those groups of people who have an interest to protect in the activities of the company (Freeman & Reed, 1983). Freeman (1984) further redefined the concept as any individual or group of individuals who are interested in the firm primarily because they can influence or are influenced by the firm's activities. Some past studies also tried to categorise stakeholders into primary or secondary (Clarkson, 1995; Freeman, 1984).

Clarkson (1995) asserts that a primary stakeholder is one that if He / She ceases to participate in the continuous running of the corporation, such a corporation might fold up. While secondary stakeholders, are those whose transactions with the company are not essential to its survival. The stakeholder theory justifies the fact that stakeholders have intrinsic value in and of themselves and the company is therefore compelled to uphold their rights and attend to their interests (Goodijk, 2003; Donaldson & Preston, 1995). Furthermore Rowley (1997) assert that in building the stakeholder theory of the firm, it is of utmost importance that all stakeholders are attended to simultaneously. Hence the model addresses also, the impact of stakeholders who do not have direct relationship with the firm but apparently affects how the firm behaves.

3.0 METHODOLOGY

The study adopts a descriptive research design as the main purpose of the paper is to investigate the length of environmental disclosure of quoted companies in Nigeria. The study will make use of tables and percentages to present the situation. The population from which the samples were selected comprise all listed companies on the Nigerian Stock Exchange (NSE) for the period 2009 to 2013. One hundred and forty-two companies (142) out of over 2013 listed companies as at 2013. The samples were selected based on availability of annual reports. The final sample comprised 634 firm-year observations after removing companies with missing annual reports. The industrial groupings include; Agriculture, conglomerates, construction/real estate, consumer goods, financial services, healthcare, ICT, industrial goods, natural resources, oil & gas and services. The annual report being the most significant source of environmental information (Deegan & Rankin, 1997; Tilt, 1994), is the source from which our data is collected. The annual report provides a good source of reliable environment information because it is produced under the tutelage of the accountant (Guthrie & Parker, 1989), readily available for use by all stakeholders. It can be relied upon because it provides a consistent measure.

Table 1 categorises companies based on the classification of the Nigerian Stock Exchange. There are eleven (11) industrial sectors. The financial services sector had most of the companies (31%), while the sectors with the least amount of companies were the construction/real estate sector and natural resources sector that had about 2% of the sampled companies. It can also be seen that there is a clear difference in the number of companies within each industry. Although the stratified random sampling technique adopted in the study ensures that all sectors are duly represented.

Table 1

Nigerian Stock Exchange (NSE) industry classifications (2009-2013)

	Total	2013	2012	2011	2010	2009
Industry	Nos(%)	Nos(%)	Nos(%)	Nos(%)	Nos(%)	Nos(%)
Financial Services	196(31)	35(29)	39(31)	40(30)	41(32)	41(33)
Consumer goods	102(16)	22(18)	20(16)	21(16)	20(16)	19(15)
Industrial goods	87(14)	16(13)	17(13)	19(14)	19(15)	16(13)
Services	78(12)	15(13)	16(13)	16(12)	15(12)	16(13)
Healthcare	33(5)	7(6)	6(5)	7(5)	7(5)	6(5)
ICT	29(5)	6(5)	6(5)	6(5)	5(4)	6(5)
Oil & Gas	34(5)	5(4)	7(6)	8(6)	7(5)	7(6)
Conglomerates	26(4)	5(4)	5(4)	5(4)	6(5)	5(4)
Agriculture	19(3)	4(3)	4(3)	4(3)	4(3)	3(2)
Construction/Real estate	15(2)	3(3)	3(2)	3(2)	3(2)	3(2)
Natural resources	15(2)	2(2)	4(3)	4(3)	2(2)	3(2)
Total	634(100)	120(100)	127(100)	133(100)	129(100)	125(100)

Note: Nos= number of companies within each industrial sector; Percentage in parentheses= number of companies within an industry in relation to the total number of companies for a given year; industries are arranged in order of length of disclosure in descending order.

3.1 Environmental Disclosure Length

The length or quantity of environmental disclosure will basically refer to any complete sentence in the annual report that refers to any information on the environment relating to an environmental policy, raw materials conservation and recycling, environmental protection program, awards for environmental protection, support for public/private action designed to protect the environment (Haniffa & Cooke, 2005). Guthrie and Abeysekera (2006) present a number of conditions that have to be initiated before content analysis can be used effectively. They opine that the classification should not be ambiguous such that any reference made to it should be objective. Secondly, the determination of the classes must follow a scientific procedure in order to reduce subjective bias.

Our study makes use of the number of sentences as a measure of the length of environmental disclosure following the works of Alrazi et al. (2009) and Hackston and Milne (1996) for the very reason that sentences have been found to present a more meaningful account of the situation as against utilising a dummy indicating presence of such disclosures or counting words. In situations where a table or figure is used to illustrate environmental actions taken, it is taken as a single sentence (Elijido-ten, 2009).

4.0 RESULTS AND DISCUSSION

Table 2

Descriptive statistics of environmental disclosure length

Year	Mean	Minimum	Maximum	Observations
2009	1.75	0.00	19.00	125
2010	1.91	0.00	34.00	129
2011	2.81	0.00	44.00	133
2012	3.94	0.00	50.00	127
2013	4.73	0.00	94.00	120
2009-2013	3.01	0.00	94.00	634

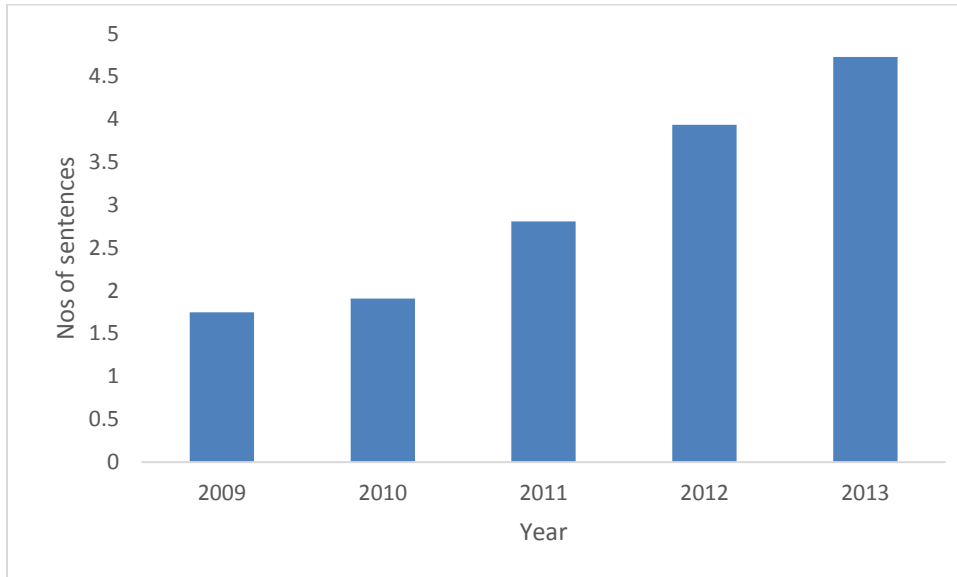


Figure 1. Trend of environmental disclosure length by years

Table 2 presents the descriptive statistics for number of sentences disclosed on environmental information (environmental disclosure length) by years for the sampled companies. The table shows the mean, minimum and maximum values for the different years as well as for the combined period. The result shows that there has been a steady increase over the period from 2009 through to 2013. This is also highlighted in figure 4.1, as the chart clearly shows the increase in environmental disclosure sentences over the years studied.

Table 3

Length of environmental disclosures from Nigerian Stock Exchange (2009-2013)

Industry	2009			2010			2011			2012			2013			2009-2013		
	Nos	Ave/Ind	Sum	Nos	Ave/Ind	Sum	Nos	Ave/Ind	Sum	Nos	Ave/Ind	Sum	Nos	Ave/Ind	Sum	Nos	Ave/Ind	Sum
Agriculture	3	3.00	9	4	3.00	12	4	2.50	10	4	2.25	9	4	2.25	9	19	2.58	49
Conglomerates	5	0.20	1	6	0.17	1	5	0.20	1	5	0.80	4	5	0.60	3	26	0.38	10
Construction/Real estate	3	3.33	10	3	1.33	4	3	3.67	11	3	6.00	18	3	3.33	10	15	3.53	53
Consumer goods	19	2.84	54	20	1.80	36	21	2.86	60	20	5.30	106	22	5.27	116	102	3.65	372
Financial services	41	1.27	52	41	1.54	63	40	2.73	109	39	5.28	206	35	8.37	293	196	3.69	723
Healthcare	6	1.00	6	7	1.14	8	7	1.86	13	6	2.50	15	7	3.29	23	33	1.97	65
ICT	6	2.17	13	5	4.40	22	6	5.00	30	6	5.33	32	6	1.00	6	29	3.55	103
Industrial goods	16	2.69	43	19	3.47	66	19	5.26	100	17	3.41	58	16	4.69	75	87	3.93	342
Natural resources	3	0.67	2	2	1.50	3	4	1.25	5	4	1.25	5	2	2.00	4	15	1.27	19
Oil & gas	7	3.43	24	7	3.43	24	8	3.00	24	7	4.43	31	5	2.20	11	34	3.35	114
Services	16	0.31	5	15	0.53	8	16	0.06	1	16	1.00	16	15	1.13	17	78	0.73	57
Total	125	1.75	219	129	1.91	247	133	2.74	364	127	3.94	500	120	4.73	567	634	3.01	1907

Notes: Nos= total number of companies in each industrial sector; Sum= total number of sentences reported by each industry; Ave/Ind= Average number of sentences disclosed per industry computed as total number of sentences reported by each industry divided by total number of companies in each industry

Table 3 presents the situation on the length of environmental information disclosure amongst companies quoted on the Nigerian Stock Exchange. The information is presented according to the respective industrial sectors of the sampled companies. It also presents the yearly description and a combination of the entire five year period. It was observed that environmental disclosure information on the average for all companies in the sample was 3 sentences. The result is not too far from a study done in another emerging economy, studies by Buniamin (2010) done in Malaysia showed the average for companies quoted on the Bursa Malaysia as at 2005 financial year to be 4.70 sentences. Further comparing with evidence from Nigeria, Uwuigbe and Jimoh (2012) found the average number of sentences on environmental information in the annual reports to be 2 sentences, slightly lower than our findings.

Also, as can be seen from table 3, an examination of the individual years shows that there is a continuous increase in the number of sentences per company from 2009 to 2013. Further exploring into the quantity of disclosures of the sampled companies by industrial sector groupings, we find that in 2009, the oil & gas sector performed best disclosing 3.43 sentences per company, while the conglomerate sector had the worst performing companies averaging barely 0.20 sentences. In 2010, the ICT sector emerged top with 4.40 sentences, in 2011 the industrial sector with 5.26 sentences, in 2012, construction/real estate sector averaging 6 sentences and lastly in 2013, the financial services sector emerged the most extensively disclosing sector with 8.37 sentences. The combined disclosure for the five year period 2009-2013 revealed companies in the industrial sector as the most disclosing, averaging 3.69 sentences per company, while the conglomerate sector as was the case in most years emerged the least disclosing sector. The industrial sector appeared to have disclosed more as there were significant disclosures on environmental concerns by most of the companies within the sector on both monetary and non-monetary items. For example, there were financial commitments on construction of water projects to resolve the issues of clean and assessable drinking water, donations towards beautification of the environment as well as statements indicating willingness to comply with both local and international guidelines on environmental responsibility agenda.

Further, in table 4, we conduct one-way anova to test whether there are significant differences in the length of environmental disclosure between the different years and industrial sectors. The result from Panel A ($f=4.02$, $P<0.05$) reveals that there was a significant difference between the environmental disclosure length of the sampled years. Furthermore, the result of the one-way anova, Panel B also shows that there were no significant differences between the environmental disclosure length of the various industries ($f=1.74$, $P>0.05$).

Table 4

One-way Anova

Panel A: Year

Source	SS	DF	MS	F	PROB
Between groups	819.86	4	204.97	4.02	0.00
Within groups	32059.10	629	50.97		
Total	32878.96	633	51.94		

Panel B: Industry

Source	SS	DF	MS	F	PROB
Between groups	891.36	10	89.14	1.74	0.07
Within groups	31987.60	623	51.34		
Total	32878.96	633	51.94		

5.0 CONCLUSIONS AND RECOMMENDATIONS

Following evidence from the stakeholder theory that justifies why companies go through the troubles of providing environmental information we provide a detailed evidence from the Nigerian Stock Exchange (NSE) utilising the instruments used by Hackston and Milne (1996) and Haniffa and Cooke (2005). We find that the average number of sentences on environmental disclosure provided by companies in Nigeria is three (3) sentences, which shows a scanty disclosure length with clear distinction from studies done in developing and even emerging markets for example, Alrazi et al. (2009) that revealed an average of 3.83 sentences in 1999, 14.10 sentences in 2003 and 12.27 sentences in 2006. Also, Elijido-ten (2009) that averaged 16.37 sentences and Uwuigbe and Jimoh (2012) that found an average of two sentences.

The difference between the Nigerian case and other better performers can be attributed to the absence of any formal regulation warranting companies to disclose such information as is the case in some developed countries like US and the UK. Also, the level of awareness of the importance of addressing such issues is still very low, as most management still view the act of providing for the environment as the sole responsibility of the government. Also, another important finding is that going by the results for the five years, there is a clear improvement on the quantity or length of disclosure which translates to a more transparent reporting practice in the aftermath of the revised corporate governance code for Nigerian quoted companies which was started in 2008 and became effective in 2011.

The low quantity of environmental information disclosed by the Nigerian companies as highlighted in this study has a number of implications for a wide range of stakeholders. Firstly, it stresses the recent outburst on the need to ensure that the environment is sustained for the use and benefits of the current and future generations yet unborn. Secondly, it serves as a motivation for studies to be carried out that can suggest factors or determinants of improved environmental performance and subsequent disclosures by the Nigerian companies.

Flowing from these implications, the study recommends that the Nigerian government, regulatory bodies and other institutions responsible in ensuring that these companies are good

corporate citizens embark on awareness campaigns, as well as provide certain incentives that will encourage environmental disclosure by companies. Also strive towards making such information compulsory as at the moment it is still completely voluntary.

In drawing up conclusions, from this study, it is important to apply caution until a time when a standardised set of sampling and measurement techniques are universally accepted. Also, the study utilised the number of sentences as a measure of the length of disclosure, future studies could employ a word count and determine the total number of words spent on accounting for the environment which might be more convincing.

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